



America's Finest City

THE CITY OF SAN DIEGO



Assessment Engineer's Report

UNIVERSITY HEIGHTS MAINTENANCE ASSESSMENT DISTRICT

Annual Update for Fiscal Year 2010

under the provisions of the

**San Diego Maintenance Assessment District Ordinance
of the San Diego Municipal Code**

and

**Landscaping & Lighting Act of 1972
of the California Streets & Highways Code**

Prepared For

City of San Diego, California

Prepared By

AECOM

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May 2009

AECOM

CITY OF SAN DIEGO

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Independent Budget Analyst

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AECOM USA, Inc.

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Assessment Engineer's Report

University Heights

Maintenance Assessment District

Preamble

Pursuant to the provisions of the "San Diego Maintenance Assessment District Ordinance" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscaping and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (being Article XIID of the California Constitution), and provisions of the "Proposition 218 Omnibus Implementation Act" (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law"), in connection with the proceedings for the UNIVERSITY HEIGHTS MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as "District"), AECOM USA, INC., as Assessment Engineer to the City of San Diego for these proceedings, submits herewith this report for the District as required by California Streets and Highways Code Section 22565.

FINAL APPROVAL, BY RESOLUTION NO. _____ ,
ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAN
DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, ON THE
_____ DAY OF _____, 2009.

Elizabeth Maland, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

Executive Summary

Project: University Heights
Maintenance Assessment District

Apportionment Method: Linear Frontage Foot (LFF)

	FY 2009	FY 2010 ⁽¹⁾	Maximum ⁽²⁾ Authorized
Total Parcels Assessed:	138	138	--
Total Estimated Assessment:	\$37,399	\$37,399	--
Total Number of LFF:	5,404.4	5,404.4	--
Assessment per LFF:	\$6.92	\$6.92	\$7.14 ⁽³⁾

⁽¹⁾ FY 2010 is the City's Fiscal Year 2010, which begins July 1, 2009 and ends June 30, 2010. Total Parcels Assessed, Total Estimated Assessment, and Total Number of LFF may vary from fiscal prior year values due to parcel changes.

⁽²⁾ Maximum authorized annual amounts subject to cost-indexing provisions as set forth in this Engineers Report.

⁽³⁾ Prior fiscal year's maximum authorized annual assessment increased by cost-indexing factor of 3.16%.

District History: In Fiscal Year 2001, by a ballot proceeding, majority property owners approved the formation of the District, Fiscal Year 2001 and maximum authorized assessments for subsequent years, and provisions for annual cost-indexing.

Annual Cost-Indexing: The maximum authorized assessment rate has been increased based on the approved annual cost-indexing provisions.

Bonds: No bonds will be issued in connection with this District.

Background

The Mid-City Maintenance Assessment District (Mid-City District) was established in July 1987. The original Assessment Engineer's Report is on file in the City of San Diego (City) Clerk's office. The Mid-City District has primarily funded maintenance costs associated with trees and shrubs, landscaped medians, benches, and additional enhanced streetlights located within business district areas. This annual Assessment Engineer's Report is for the University Heights Maintenance Assessment District (District), formerly known as Sub-District #4 of the Mid-City District.

In June 1997, the Mid-City District boundary and apportionment methodology were reviewed and re-formulated, primarily for purposes of increasing assessments, annexing additional areas, adding provisions for cost-indexing of all assessments, and complying with Proposition 218. By a mail ballot proceeding, property owners approved the re-engineering. The Assessment Engineer's Report, preliminarily accepted by Resolution Number R-289040 on August 5, 1998, proposed Fiscal Year 1999 assessments, maximum authorized assessments for subsequent years, and provisions for annual cost-indexing of the maximum authorized assessments.

Recently, the Mid-City District consisted of three (3) separate sub-districts located along Adams Avenue, El Cajon Boulevard, Park Boulevard, and University Avenue. The sub-districts were located as follows:

- ◆ ***Sub-District #4:*** Adams Avenue (from Mission Cliff Drive to Florida Street) and Park Boulevard (from Adams Avenue to Mission Avenue).
- ◆ ***Sub-District #12:*** University Avenue (from 10th Avenue to Herbert Street).
- ◆ ***Sub-District #13:*** El Cajon Boulevard (from I-805 to 54th Street); divided into two zones: I-805 to 44th Street (Zone 1), and 44th Street to 54th Street (Zone 2).

Over the years, sub-districts were annexed into and de-annexed out of the Mid-City District. Many de-annexed sub-districts were annexed into other districts. Table 1 chronicles the annexations and de-annexations since 1987.

TABLE 1: Sub-District History

Sub-District Number	Description	Formed	Modified	Current District
1	University Ave (Fairmount Ave to Marlborough Ave)	1989	2005 (De-annexed)	City Heights
2	University Ave (37th St to Wilson Ave)	1988	2005 (De-annexed)	City Heights
3	Adams Ave	1988	1996 (De-annexed)	Adams Ave
4	Adams Ave (Mission Cliff Dr to Florida St) & Park Blvd (Adams Ave to Mission Ave)	1993	1994 (parcels added)	Mid-City
5	North Park	1988	1996 (De-annexed)	North Park
6	Adams Ave	1988	1996 (De-annexed)	Adams Ave
7	Adams Ave	1989	1996 (De-annexed)	Adams Ave
8*	El Cajon Blvd (Van Dyke Ave to 44th St)	1992	2000 (De-annexed)	--
9	North Park	1992	1996 (De-annexed)	North Park
10*	El Cajon Blvd (37th St to 39th St)	1993	2000 (De-annexed)	--
11*	El Cajon Blvd (I-805 to 37th St)	1997	2000 (De-annexed)	--
12	University Ave (10th Ave to Herbert St)	1999	--	Mid-City
13	El Cajon Blvd (I-805 to 54th St)	2000	--	Mid-City

* De-annexed and incorporated into Sub-District #13 as part of the Fiscal Year 2001 proceedings.

District Proceedings for Fiscal Year 2010

This District is authorized and administered under the provisions of the “San Diego Maintenance Assessment District Procedural Ordinance of 1986” (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the “Landscaping and Lighting Act of 1972” (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of “Proposition 218” (being Article XIIIID of the California Constitution), and provisions of the “Proposition 218 Omnibus Implementation Act” (being California Senate Bill 919) (the aforementioned provisions are

hereinafter referred to collectively as "Assessment Law"). This report has been prepared in compliance with Assessment Law.

The purpose of the proposed proceedings and this Assessment Engineer's Report is to update the District budget and assessments for Fiscal Year 2010. The Fiscal Year 2010 assessments proposed within this Assessment Engineer's Report are equal to or less than the maximum authorized assessment. Therefore, the vote requirements of Section 4 of Article XIID do not apply to these proceedings.

A public hearing will be scheduled where public testimony will be heard by the Council, and the Council may, at its discretion, adopt a resolution ordering the levying of the proposed assessments.

Bond Declaration

No bonds will be issued in connection with this District.

District Boundary

The Boundary Map and Assessment Diagram for the District are on file in the Maintenance Assessment Districts Section of the Park and Recreation Department of the City of San Diego and by reference are made a part of this report. The Boundary Map and Assessment Diagram for the District are available for public inspection during normal business hours. The District boundary is depicted in Exhibit A.

Project Description

The project to be funded by the proposed assessments is the maintenance costs associated with landscaped and hardscaped areas, gutter sweeping, sidewalk cleaning, and other specified improvements or services. All improvements to be maintained by the District fall within the dedicated City public rights-of-way.

The engineering drawings for the improvements maintained by the District are on file at Maps and Records in the Development Services Department and are incorporated herein. Additional details related to specific District improvements are contained in documents incorporated by reference into prior Assessment Engineer's Reports prepared for purposes of District formation. The improvements and services provided by the District will be maintained in accordance with

specifications and contracts on file with the Park and Recreation Department. These documents are available for public inspection during normal business hours.

Separation of General and Special Benefits

Consistent with City policy for the public at large, the City will contribute for lighting maintenance and energy costs an amount equivalent to that used for City minimum required streetlights (see City Council Policy 200-18 for lighting standards). These cost allocations, reviewed and adjusted annually by the City, are considered to be “general benefits” administered by the District. All other maintenance, operations, and administration costs associated with the District, which exceed the City’s contribution to the public at large, are accordingly considered to be “special benefits” funded by the District.

Cost Estimate

Estimated Costs

Estimated Fiscal Year 2010 annual expenses, revenues, reserves, and assessments (provided by the City) are included as Exhibit B hereto.

Annual Cost-Indexing

With the passage of Proposition 218, any proposed increase in assessments must be placed for approval before the property owners by a mail ballot and a public hearing process, similar to these proceedings. A majority of ballots received must be affirmative for the City Council to confirm and levy the increased assessments. For small assessment districts or districts with relatively low dollar assessments, the cost of an engineer’s report, balloting, and the public hearing process can potentially exceed the total cost of the increase. These incidental costs of the proceedings can be added to the assessments, resulting in even higher assessments.

Indexing assessments annually to the San Diego Consumer Price Index for Urban Consumers (SDCPI-U), as approved by the District property owners, allows for minor increases for normal maintenance and operating cost escalation without incurring the costs of the Proposition 218 ballot proceedings. Any significant change in the assessment

initiated by an increase in service provided or other significant changes to the District would still require the Proposition 218 proceedings and property owner approval.

The maximum authorized assessment established in the Fiscal Year 1998 proceedings are authorized to be indexed (increased or decreased) annually by the factor published in the SDCPI-U. The maximum authorized assessment rates contained within this Assessment Engineer's Report have been indexed in accordance with these cost-indexing provisions.

Method of Apportionment

Estimated Benefit of the Improvements

The Transportation Element of the City's General Plan and the general policy recommendations found in the local Community Plan establish several goals for the community's transportation system. The improvements being maintained by the District are consistent with the plans' goals for safety and pleasing aesthetics. All benefits assessed to the District are special to this District and are distinct from other parcels in the City.

The improvements (enhanced landscape, streetscape, medians, benches, and additional street lighting) benefit parcels by enhancing the visual aesthetics of the business districts, establishing a continuity of business district appearance, increasing land and business values, promoting public safety and a sense of security for the clientele and employees through increased night lighting, reducing graffiti problems, and creating a sense of community identity and pride.

Apportionment Methodology

It is estimated that the benefit received by each parcel is directly proportional to the linear front footage of each parcel fronting the improvements. The total cost has been divided by the total linear front footage of all parcels within the District to determine the unit assessment rate, or cost per linear frontage foot (LFF).

Summary Results

The District boundary is presented in Exhibit A.

An estimate of the costs of the improvements provided by the District is included as Exhibit B to this report.

The assessment methodology utilized is as described in the text of this report. Based on this methodology, the LFF and Fiscal Year 2010 District assessment for each parcel were calculated and are shown in the Assessment Roll (Exhibit C).

Each lot or parcel of land within the District has been identified by unique County Assessor's Parcel Number on the Assessment Roll and the Boundary Map and Assessment Diagram referenced herein. The net assessment for each parcel for Fiscal Year 2010 can be found on the Assessment Roll.

This report has been prepared and respectfully submitted by:

AECOM USA, INC.

Eugene F. Shank, PE

C 52792

Carolyn R. Crull

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the Assessment as shown on the Assessment Roll, together with the Assessment Diagram, both of which are incorporated into this report, were filed in my office on the ____ day of _____, 2009.

Elizabeth Maland, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

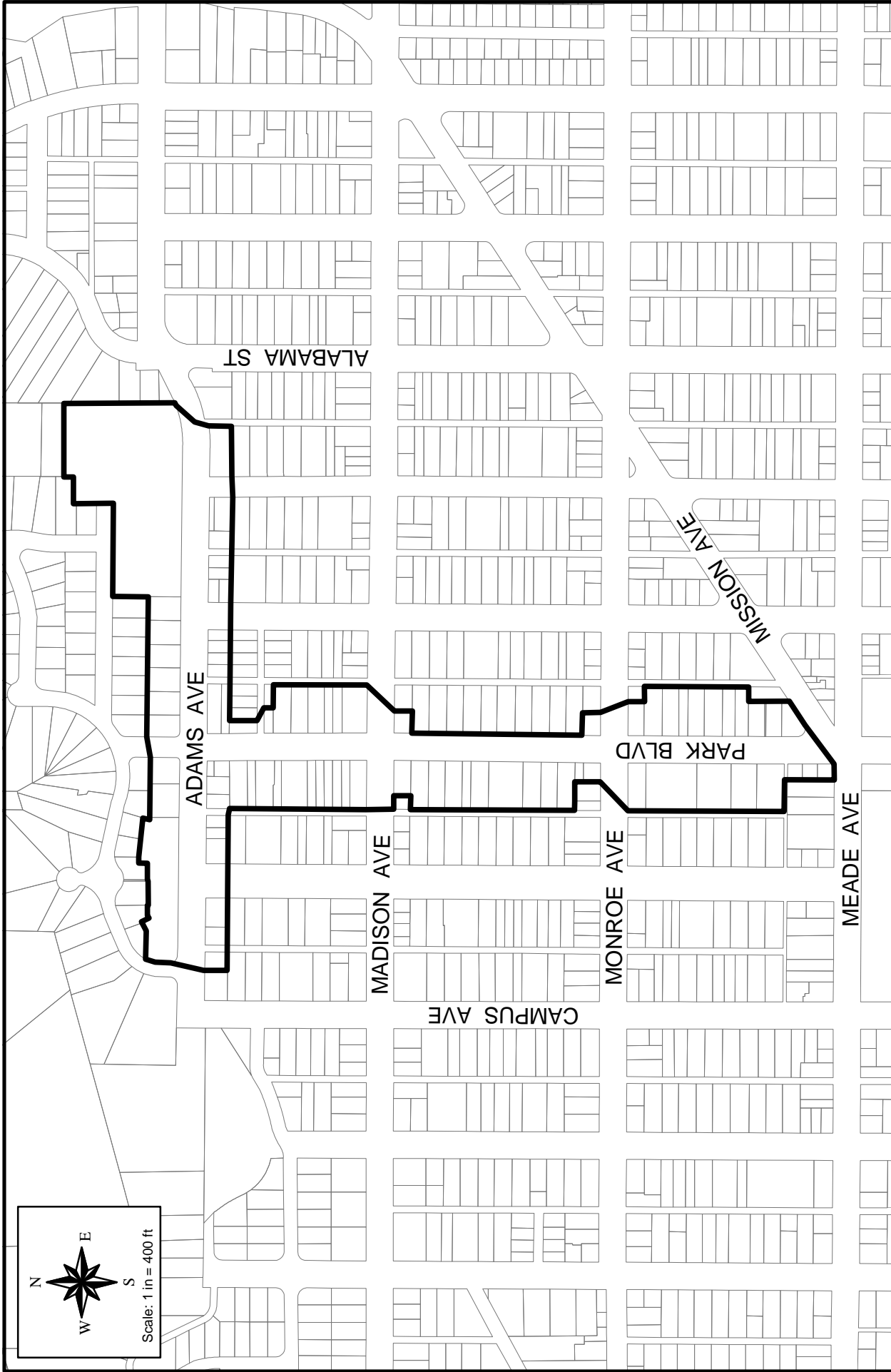
I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the Assessment Diagram incorporated into this report, was approved and confirmed by the CITY COUNCIL of said City on the ____ day of _____, 2009.

Elizabeth Maland, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as CITY ENGINEER of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the Assessment Diagram was recorded in my office on the ____ day of _____, 2009.

Afshin Oskoui, CITY ENGINEER
CITY OF SAN DIEGO
STATE OF CALIFORNIA

EXHIBIT A



BOYLE

University Heights Maintenance Assessment District

EXHIBIT A

EXHIBIT B

EXHIBIT B - Estimated Annual Expenses, Revenues & Reserves

University Heights - Fund 70273

	FY 2008 BUDGET	FY 2009 BUDGET	FY 2010 BUDGET
BALANCE FROM PRIOR YEAR	\$ 39,333	\$ 35,839	\$ 51,676
REVENUE			
Assessments	\$ 36,588	\$ 37,399	\$ 37,399
Interest	\$ 800	\$ 500	\$ 700
Environmental Growth Fund	\$ -	\$ -	\$ -
Gas Tax Fund	\$ -	\$ -	\$ -
General Fund	\$ -	\$ -	\$ -
Miscellaneous	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 37,388	\$ 37,899	\$ 38,099
TOTAL BALANCE AND REVENUE	\$ 76,721	\$ 73,738	\$ 89,775
EXPENSE			
OPERATING EXPENSE			
Personnel	\$ 4,561	\$ 4,676	\$ 4,550
Contractual	\$ 22,456	\$ 23,004	\$ 41,760
Incidental	\$ 4,654	\$ 4,555	\$ 4,381
Utilities	\$ 11,495	\$ 10,383	\$ 9,719
TOTAL OPERATING EXPENSE	\$ 43,166	\$ 42,618	\$ 60,410
RESERVE			
Contingency Reserve	\$ -	\$ 31,120	\$ 29,365
TOTAL RESERVE	\$ 33,555	\$ 31,120	\$ 29,365
BALANCE	\$ -	\$ (0)	\$ (0)
TOTAL EXPENSE, RESERVE AND BALANCE	\$ 76,721	\$ 73,738	\$ 89,775

EXHIBIT C

Due to the size of the Assessment Roll (Exhibit C), only limited copies are available. Please contact the City of San Diego, Park & Recreation Department, Open Space Division, Maintenance Assessment Districts Program at (619) 685-1350 to review the Assessment Roll.